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FEDERAL ELECTION COMMISSION
Washington, DC 20463

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AGENDA ITEM
For Meeting of: 04-03-03

SUBMITTED LATE

MEMORANDUM

TO: The Commission

THROUGH: James A. Pehrkon
Staff Director

FROM: Lawrence H. Norton *LHN*
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SUBJECT: Amendments to Agenda Doc. No. 03-20

The Office of General Counsel prepared the amendments in the attachment to this memorandum, which are related to Agenda Document No. 03-20.

Recommendation

The Office of General Counsel recommends that the Commission approve Agenda Document No. 03-20 incorporating the amendments in the attachment to this memorandum.

ATTACHMENT

Amendments to Agenda Document No. 03-20

1. On page 12, line 16 replace "GELAC" with "General Election Legal and Accounting Compliance Fund ['GELAC']."
2. On page 14, lines 1 to 2 replace "General Election Legal and Accounting Compliance Fund ['GELAC']" with "GELAC."
3. On page 24, line 12, delete the "4."
4. On page 27, line 15 replace "Federal Election Campaign Act ['FECA']" with "FECA."
5. On page 68, in footnote 4, delete the underlining under "disbursing."
6. On page 79, revise lines 6 through 9, so that they read:

Alternatively, should the Commission promulgate an additional regulation in its Federal Financing of Presidential Nominating Conventions regulations (11 CFR part 9008) that would specifically apply BCRA and the Non-Federal Funds Final Rules to the financing of national nominating conventions and explain how the Commission's regulations in 11 CFR part 300 work in this context?
7. On page 85, line 1, replace "trade of industry" with "trade or industry."
8. At page 108, line 14, insert the following and renumber accordingly:

IX. Technical Change

The Commission proposes to amend 11 CFR 9008.8(b)(4)(ii)(B) to implement a change made by BCRA to the limit for contributions from persons to national party committee. 2 U.S.C. 441a(a)(1)(B). The pre-BCRA limit was \$20,000 per person, and this amount was not indexed for inflation, whereas the post-BCRA limit is \$25,000 per person, as indexed for inflation by 11 CFR 110.1(c)(1)(i). The amendment would implement BCRA in this regard.

9. At page 126, line 17, insert "and paragraph (b)(4)(ii)(B)" after "revising paragraphs (b)(2)."

10. At page 127, line 4, add the following:

(4) * * *

(ii) * * *

(B) The contributions raised to pay for the legal and accounting services comply with the limitations and prohibitions of 11 CFR parts 110, 114 and 115. These contributions, when aggregated with other contributions from the same contributor to the political committees established and maintained by the national political party, shall not exceed ~~\$20,000~~\$25,000 per person, as indexed for inflation by 11 CFR 110.1(c)(1)(i), and \$15,000 per multicandidate political committee in any calendar year.

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Amendments to Agenda Document No. 03-20-D

11. Agenda Doc. No. 03-20-D at page 1 proposes amendments to page 20, line 14 of Agenda Doc. No. 03-20. OGC proposes that the amended sentence on page 20, from line 13 to 16, be further revised to read:

Should primary candidates be permitted to establish a separate account of solely private funds, with separate contribution limits for contributors, to be used for winding down expenses? If so, may the Commission permit contributors to make more than one contribution of the amount specified in 2 U.S.C. 441a(a)(1)(A) or 2 U.S.C. 441a(a)(2)(A) to the same candidate or authorized committee? May the Commission permit such candidates and authorized committees to accept such contributions consistent with 2 U.S.C. 441a(f) and 441i(e)(1)(A)?

12. Agenda Doc. No. 03-20-D at page 3 proposes amendments to page 91, line 1 of Agenda Doc. No. 03-20. OGC proposes to insert the following after the first inserted sentence:

In promulgating the predecessor to the current 11 CFR 9008.54, the Commission explained that: "This section provides for an examination and audit of each host committee. Such committees are permitted to receive donations to defray convention expenses. It is hence necessary for the Commission to audit them in order to insure that those donations were properly raised and spent." Explanation and Justification for Presidential Election Campaign Fund and Federal Financing of Presidential Nominating Conventions, 44 Fed. Reg. 63036, 63038 (Nov. 1, 1979). The Fund Act specifically authorizes the Commission "to conduct such examinations and audits (in addition to the examinations and audits required by section 9007(a)), . . . as it deems necessary to carry out the functions and duties imposed on it by this chapter." 26 U.S.C. 9009(b). In addition, as authority for this requirement, the Commission currently cites 2 U.S.C. 437, which includes the statutory provisions requiring host committee reporting; 2 U.S.C. 438(a)(8), the Commission's general regulation authority; 26 U.S.C. 9008, which provides for payments for presidential nominating conventions; and 26 U.S.C. § 9009, which includes further regulation authority in addition to the provision cited above concerning additional audits additional to those required by 26 U.S.C. 9007.

13. Agenda Doc. No. 03-20-D at page 4 proposes amendments to page 108, line 14 of Agenda Doc. No. 03-20. OGC proposes to insert the following after the sentence that begins: "The CLAF would have a separate contribution limit from the National committee's limit . . .":

May the Commission permit contributors to make one contribution of the amount specified in 2 U.S.C. 441a(a)(1)(B) or 2 U.S.C. 441a(a)(2)(B) to the political committees established and maintained by the same national political party and a second contribution up to that same amount to a CLAF? May the Commission permit such committees to accept such contributions consistent with 2 U.S.C. 441a(f) and 441i(a)(1) and (2)?